

MDFC Equipment Leasing Corporation

13946-β

Lease Rider No. 1

In connection with that certain Equipment Lease Agreement dated as of February 20, 1996 ("Lease") between MDFC Equipment Leasing Corporation ("Lessor") and Tube City, Inc. ("Lessee") covering the items of equipment ("Equipment") described in any existing or future Individual Equipment Records ("IERs") thereto, it is agreed that upon execution hereof by the parties hereto, this Lease Rider No. 1 shall constitute a part of the Lease. Capitalized terms used and not defined herein shall have the meanings assigned to them in the Lease.

Provided that neither an Event of Default nor an event which with notice and/or lapse of time would constitute an Event of Default under the Lease or default under any other agreement entered into between Lessor and Lessee shall have occurred and be continuing, Lessee is hereby granted an option (the "Fixed Price Purchase Option"), which shall not be assignable, to purchase AS-IS-WHERE-IS all, but not less than all, of the Equipment covered by all of the IERs (unless a particular IER specifically states otherwise), at the expiration of the term of each of the IERs, for the purchase price set forth in the Special Conditions section on the applicable IER. In the event that Lessee does not notify Lessor of its election to exercise the Fixed Price Purchase Option for all IERs at least 120 days prior to the expiration of the term of the first expiring IER, the Lease term with respect to all IERs shall automatically be extended for the additional term and for the monthly rent set forth in the Special Conditions sections of each of the IERs. Rent during the additional term shall be paid monthly in advance on the same day of each month that the Lessee was required to pay Rent to Lessor under the Lease and except as specifically set forth herein and in the IER, all of the terms and conditions of the Lease shall remain in full force and effect.

At the end of the additional term for the first expiring IER, Lessee shall have the option (the "FMV Option") to purchase AS-IS-WHERE-IS all, but not less than all of the Equipment covered by such IER for a purchase price equal to its then Fair Market Value, determined in accordance with the procedures set forth below. If Lessee elects to exercise the FMV Option with respect to the first expiring IER, Lessee will then be required to purchase all of the Equipment described on all of the IERs, unless otherwise specified in the Special Conditions section of any particular IER, as the additional term for each IER expires.

The term Fair Market Value shall mean the selling price that would be obtained in an arms-length transaction between an informed and willing buyer and an informed and willing seller each under no compulsion to buy or sell. Fair Market Value shall be determined on the basis that the Equipment is in complete compliance with all conditions specified in the Lease and IER and that the Equipment is installed and/or in service and any cost of removal, preparation for shipment or transportation, or diminution in value caused by removal or transportation shall not be deducted in determining the Fair Market Value of the Equipment.

The Lessee's right to exercise the FMV Option is subject to the following conditions precedent: (a) neither an Event of Default nor an event which with notice and/or lapse of time would constitute an Event of Default under the Lease or default under any other agreement between Lessor and Lessee shall have occurred and be continuing; (b) Lessor shall have received written notice of the election to exercise

COMMONWEALTH OF PENNSYLVANIA)
) SS:
COUNTY OF ALLEGHENY)

On this, the 19th day of February, 1996, before me, a Notary Public, the undersigned officer, personally appeared John Lipinski, Jr., who acknowledged himself to be the Senior Vice President, Secretary and CFO of Tube City, Inc., and that he as such Senior vice President, Secretary and CFO, being authorized to do so, executed the foregoing instrument for the purpose therein contained by signing the name of the corporation by himself as Senior Vice President, Secretary and CFO.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Joan M. Dingfelder
Notary Public

My Commission Expires:

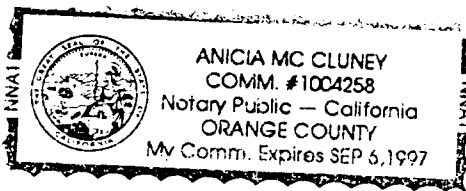
CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

No. 5193

State of California
 County of Los Angeles
 On 2-20-96 before me, Anicia McCluney, Notary
DATE NAME, TITLE OF OFFICER - E.G., JANE DOE, NOTARY PUBLIC

personally appeared James C. Hammermith
NAME(S) OF SIGNER(S)

☒ personally known to me - OR - ☐ proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



WITNESS my hand and official seal.

Anicia McCluney
SIGNATURE OF NOTARY

OPTIONAL SECTION

CAPACITY CLAIMED BY SIGNER

Though statute does not require the Notary to fill in the data below, doing so may prove invaluable to persons relying on the document.

- ☐ INDIVIDUAL
- ☒ CORPORATE OFFICER(S)
TITLE(S) Dir. Operations
- ☐ PARTNER(S) ☐ LIMITED ☐ GENERAL
- ☐ ATTORNEY-IN-FACT
- ☐ TRUSTEE(S)
- ☐ GUARDIAN/CONSERVATOR
- ☐ OTHER: _____

SIGNER IS REPRESENTING:

NAME OF PERSON(S) OR ENTITY(IES)

OPTIONAL SECTION

THIS CERTIFICATE MUST BE ATTACHED TO THE DOCUMENT DESCRIBED AT RIGHT:

TITLE OR TYPE OF DOCUMENT _____

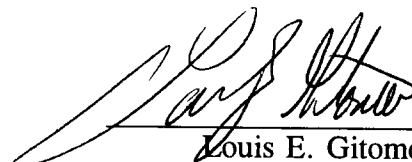
NUMBER OF PAGES _____ DATE OF DOCUMENT _____

SIGNER(S) OTHER THAN NAMED ABOVE _____

Though the data requested here is not required by law, it could prevent fraudulent reattachment of this form.

CERTIFICATION

I, LOUIS E. GITOMER, have compared this copy to the original Lease Rider No. 1 dated as of February 20, 1996 and found the copy to be complete and identical in all respects to the original document. I declare under penalty of perjury that the foregoing is true and correct.



Louis E. Gitomer
February 22, 1996

said option at least one hundred twenty (120) days prior to the date upon which the additional term of the first expiring IER under the Lease expires; and (c) Lessee shall have paid to Lessor the Fair Market Value of the Equipment contained in any expired IER, as set forth below, together with all sales, use and property taxes on or measured by such purchase price.

The Fair Market Value shall be an amount mutually agreed upon by Lessor and Lessee. Lessee's reasonable estimate of the Fair Market Value of the Equipment covered by the first expiring IER shall accompany its one hundred twenty (120) days' notice. One hundred twenty (120) days prior to the expiration of each subsequently expiring IER, Lessee shall send its reasonable estimate of the Fair Market Value of the Equipment covered by each such IER. If Lessor and Lessee are unable to agree upon the Fair Market Value of the Equipment within sixty (60) days after Lessor's receipt of the estimate thereof, then Lessor shall employ a recognized independent appraiser which will be selected by Lessor and consented to by Lessee, which consent shall not be unreasonably withheld, to determine the Fair Market Value. If Lessor and Lessee are not able to agree upon an appraiser, or if the Fair Market Value is not so determined within ninety (90) days after Lessor's receipt of Lessee's notice of estimate, the Fair Market Value shall be determined by an appraisal mutually agreed to by two recognized independent appraisal firms, one of which shall be chosen by Lessor and one by Lessee, or if such appraisers cannot agree on the Fair Market Value, an appraisal arrived at by a third party independent appraiser chosen by the mutual consent of the two appraisers. The Fair Market Value as finally determined shall bear interest at the Overdue Rate for the period, if any, from the date of expiration of the IER to the date of payment, and Lessee shall promptly reimburse Lessor for the cost of all appraisals should any appraisal be necessary.

Unless Lessee has purchased the Equipment as set forth above, all the Equipment then leased shall be returned pursuant to Section 15 of the Lease at the end of the additional term.

Lessor:

MDFC Equipment Leasing Corporation

By: *James C. Hammons*

Printed Name: James C. Hammons

Title: Director - Operations

FORM.63/Legal/8-90

Lessee:

Tube City, Inc.

By: *John Lipinski*

Printed Name: John Lipinski J

Title: SR VP, Sec & CFO